

BOARD OF COUNTY COMMISSIONERS FOR  
ADAMS COUNTY, STATE OF COLORADO

RESOLUTION APPROVING A DEVELOPMENT AGREEMENT BETWEEN KERR-MCGEE  
GATHERING LLC AND ADAMS COUNTY

**Resolution 2014-177**

WHEREAS, Developer desires to construct approximately one mile and a half of underground steel pipeline in unincorporated Adams County (as more particularly described in that certain Conditional Use Permit Application dated January, 2014) to transport natural gas (“the Project”); and

WHEREAS, the Project will provide transportation of natural gas; increase efficiency of delivering products to market; and, reduce impacts to local air quality by reducing the need to flare natural gas at well sites in Adams County; and

WHEREAS, on January 22, 2014, Developer submitted an application for a Conditional Use Permit (“CUP”) to Adams County in accordance with the requirements outlined in Chapter 2 of the Adams County Development Standards and Regulations (“the Regulations”), the Conditional Use Permit Checklist, and requested submittal criteria from the Adams County Areas and Activities of State Interest (“AASI”) Checklist; and

WHEREAS, it is provided by Sections 1-02-01-02-08 and 1-08 of the Regulations of the Board of County Commissioners, County of Adams, that where designated, the Developer shall have entered into a written agreement with the County addressing Developer’s and the County’s obligations with regard to the Project as a condition of approval for the CUP; and

WHEREAS, the County and the Developer have planned and designed the Project so it will not prohibit future development, and so that it will not add cost to the County’s future infrastructure plans to support development; and

WHEREAS, the Adams County Planning and Development Department recommends Approval of the attached agreement.

NOW, THEREFORE, BE IT RESOLVED, by the Board of County Commissioners, County of Adams, State of Colorado, that the Agreement with Kerr-McGee Gathering LLC, a copy of which is attached hereto and incorporated herein by this reference, be approved.

BE IT FURTHER RESOLVED that the Chair of the Board of County Commissioners be authorized to execute this AGREEMENT on behalf of the County of Adams, State of Colorado.

Upon motion duly made and seconded the foregoing resolution was adopted by the following vote:

Henry \_\_\_\_\_ Aye  
Tedesco \_\_\_\_\_ Aye  
Hansen \_\_\_\_\_ Aye

Commissioners

STATE OF COLORADO    )  
County of Adams        )

I, Karen Long, County Clerk and ex-officio Clerk of the Board of County Commissioners in and for the County and State aforesaid do hereby certify that the annexed and foregoing Order is truly copied from the Records of the Proceedings of the Board of County Commissioners for said Adams County, now in my office.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of said County, at Brighton, Colorado this 4<sup>th</sup> day of April, A.D. 2014.

County Clerk and ex-officio Clerk of the Board of County Commissioners  
Karen Long:



By:



Deputy

Kerr-McGee Gathering LLC Project  
Case No. RCU2014-00002

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT (“**Agreement**”) is made and entered into by and between the COUNTY OF ADAMS, a political subdivision of the State of Colorado, hereinafter called “**County**,” and Kerr-McGee Gathering LLC, 1099 18<sup>th</sup> Street, Denver, CO 80202, hereinafter called “**Developer**”.

### WITNESSETH:

WHEREAS, Developer desires to construct approximately 1.5 miles of underground steel 12 inch pipeline and appurtenances in Adams County (as more particularly described in that certain Conditional Use Permit Application Case #: RCU2014-00002, Case Name: Kerr McGee Gathering (KMGG) Pipeline dated January 22, 2014) to transport natural gas (“**the Project**”); and

WHEREAS, the Project will provide transportation of natural gas; increase efficiency of delivering products to market; and, reduce impacts to local roads by reducing truck traffic in furtherance of the goals of the Adams County Comprehensive Plan; and

WHEREAS, on January 22, 2014, Developer submitted an application for a Conditional Use Permit (“**CUP**”) to Adams County in accordance with the requirements outlined in Chapter 2 of the Adams County Development Standards and Regulations (“**the Regulations**”), the Conditional Use Permit Checklist, and requested submittal criteria from the Adams County Areas and Activities of State Interest (“**AASI**”) Checklist; and

WHEREAS, Developer has acquired all necessary right-of-way easements and temporary construction easements to utilize certain real property in the County of Adams, State of Colorado, as described in Exhibit “A” attached hereto, and by this reference made a part hereof (the “**Easements**”); and

WHEREAS, the County has designated its future road expansion plans in the Adams County Transportation Plan adopted November 8, 2012 (“**Transportation Plan**”); and

WHEREAS, it is provided by Sections 1-02-01-02-08 and 1-08 of the Regulations of the Board of County Commissioners, County of Adams, that where designated, the Developer shall have entered into a written agreement with the County addressing Developer’s and the County’s obligations with regard to the Project as a condition of approval for the CUP.

WHEREAS, the County and the Developer have planned and designed the Project so it will not prohibit future development, and so that it will not add cost to the County’s future infrastructure plans to support development.

NOW, THEREFORE, in consideration of the foregoing, the parties hereto promise, covenant, and agree as follows:

### I. DEVELOPER’S OBLIGATIONS:

1. Pre-Construction Activities. Prior to site disturbance and commencing construction in the County, Developer shall:

- A. Obtain approved construction plans from the Adams County Transportation Department.
  - B. Submit a Stormwater Management Plan (“SWMP”) to the County, as part of the Erosion and Sediment Control Plan to address water quality issues associated with construction activities.
  - C. Prepare a Traffic Control Plan for the portion of the project within Unincorporated Adams County and obtain approval of the Plan by the County. The Traffic Control Plan shall detail any impacts to the right-of-way during the construction of the Project including but not limited to lane closures, access to construction staging sites, hours of operation, etc. The traffic control plan shall be prepared in a way to minimize impacts to adjacent property owners during the construction period. The Developer must obtain written approval of the Traffic Control Plan from Adams County Transportation Department prior to commencement of construction. The Developer shall be responsible to implement any necessary corrections to the traffic control plan.
  - D. Submit the Spill Prevention, Control and Countermeasure Plan to the County.
  - E. Secure all applicable local, state and federal permits for the Project and submit copies of these permits to the County.
  - F. Secure all necessary Easements for a parcel before commencing construction activities on that parcel.
  - G. Submit copies of all executed Easements for the Project to the County.
2. Construction Activities. During construction, the Developer shall:
- A. Construct the project in accordance with the approved construction plans. The Developer shall submit a certification letter from a Professional Engineer within 30 days of construction completion certifying that the Project was constructed in accordance with the approved plans.
  - B. Manage stormwater in accordance with a SWMP (“Storm Water Management Plan”) prepared under the Colorado Department of Public Health and Environment (“CDPHE”) Colorado Discharge Permitting System (“CDPS”) Permit and in accordance with the Clean Water Act National Pollution Discharge Elimination System (“NPDES”) regulations and Adams County’s Grading Erosion and Sediment Control standards. Stormwater Best Management Practices will be implemented for the construction phase to capture and treat all onsite stormwater runoff, in accordance with the requirements for the SWMP.
  - C. Hours of operation shall be from 7 a.m. to 7 p.m., Monday through Saturday, except during hydrostatic testing, horizontal directional drilling (“HDD”), and emergency situations that would cause the Developer to be out of compliance with any applicable local, state or federal permit. The Adams County Director of Planning and Development and the Adams County Construction Manager may extend the hours and days of operation if there has been demonstration of a sufficient need.

- D. Implement the approved Traffic Control Plan.
- E. Comply with all applicable local, state and federal requirements.
- F. Comply with the guidelines suggested by Colorado Parks and Wildlife to ensure there is no effect to any species of concern as referenced within the application materials of Developer's CUP Application.
- G. Comply with the height limitations for all construction related equipment outlined in the comments submitted by Denver International Airport in their email dated February 21, 2014. Developer agrees that no piece of construction equipment shall be taller than 1 foot for every 100 feet horizontal distance from the nearest runway out to the limits of the FAA area of concern.
- H. Comply with the comments submitted by History Colorado in their letter dated February 26, 2014.
- I. Comply with the comments submitted by Xcel Energy in their letter dated February 27, 2014
- J. Comply with the comments submitted by Front Range Airport in their email dated February 17, 2014.
- K. All hauling/construction trucks shall cover their loads pursuant to C.R.S. 42-4-1407.
- L. The Developer will be responsible for the cleanliness and safety of all roadways adjacent to the Project in the event that there are any issues related to the Project during construction. If at any time, these roadways are found to be dangerous or not passable due to debris or mud caused by Project activities, the County shall require Developer to cease Project operations immediately and clear the roadway of any and all debris or mud. The Project shall not resume until the County, in its sole discretion, deems the roadway conditions acceptable. If the Developer fails to keep the adjacent roadways clean and free from debris, the Transportation Department has the option to do the required clean up and bill the cost thereof directly to the Developer.

The Developer shall be responsible for repairing County infrastructure that is damaged as a result of the construction from the Project. Repairs shall occur as soon as possible, but no later than six (6) months following construction completion, unless an extension is granted by the County for extenuating circumstances. The Developer may submit evidence of the condition of the County's right-of-way at the start and completion of construction in order to discern the pre-construction condition and the post-construction condition of the roadways.

- M. All fluid spills including, but not limited to, hydraulic fluids and oil from maintenance of equipment, shall be removed and disposed of at a facility permitted for such disposal.

- N. All complaints received by the Developer concerning off-site impacts, and the resolution of those complaints, shall be conveyed to the Department of Planning and Development. Off-site impacts shall be responded to and resolved immediately by the Developer. Adams County will be the final arbitrator regarding the resolution of noise complaints or any other off-site impacts. Excessive complaints that are not resolved to the satisfaction of the County may be justification for a show cause hearing before the Board of County Commissioners, County of Adams.
- O. All construction vehicles shall have a backup alarm, which shall comply with OSHA requirements, 29 CFR 1926.601(b)(4) and 1926.602(a)(9) and/or other remedies (such as flagmen) to minimize noise as approved by the County.
- P. If fuel will be stored on the subject properties or within the County's right-of-way, the following guidelines shall be implemented: All fuel storage at this site shall be provided with secondary containment, which complies with state law and any appropriate regulatory standards; fueling areas shall be separated from the rest of the site's surface area and protected from storm water; and Developer shall provide a spill prevention plan and release prevention plan for fuel storage and fueling operations. Spill and drip containment pans shall be emptied frequently and all spills shall be cleaned up and disposed of immediately at a facility permitted for such disposal.
- Q. Developer shall notify the County prior to commencing any snow removal operations within the County's right-of-way. The Developer shall be responsible for any damages to the right-of-way caused by these activities and shall repair damages at their expense within 60 days of receiving notice from the County.
- R. Roadways shall be kept free and clear of debris during construction of the Project. The Developer shall utilize professional street sweeping services in the event that it becomes necessary, as determined by the County.
- S. Developer shall comply with all applicable local, state and federal requirements during the course of the Project.
- T. Failure to comply with the requirements set forth in this Agreement may be justification for a show cause hearing before the Board of County Commissioners, County of Adams, where the CUP Permit may be revoked.

### 3. Design Requirements.

- A. The Project will be designed to meet or exceed the minimum Federal Safety Standards contained in 49 CFR 1925 and national engineering design codes for pipelines set forth by the American Society of Mechanical Engineers contained in B31.8.
- B. Pipeline burial depths will meet or exceed federal, state, and applicable engineering standards. The pipelines will be buried with a minimum of 48-inches of cover where practical and in locations where such burial depth is not achievable, additional mechanical protection will be provided, such as increased pipe wall thickness, as approved by the County and referenced within the Developer's Construction Plans.

- C. To accommodate the County's future development plans, Developer will initially construct and install the pipeline to comply with the depth and wall thickness specifications at the locations specified by Adams County and referenced in the Developers Construction Plans.

Developer agrees to avoid any regional drainage improvements, to the extent possible, as identified in the comments submitted by Adams County Transportation Department. The Developer shall install the pipeline at a depth below certain planned facilities to provide sufficient cover and avoid potential utility conflict at the locations identified by Adams County. The County agrees to make all reasonable attempts to avoid the pipeline during the design and construction of future drainage facilities. In the event that a future regional drainage improvement project requires the relocation of the pipeline, the Developer agrees to relocate the pipeline at its sole expense. Adams County shall give 90 calendar days written notice if it determines that the pipeline needs to be re-located.

- D. Developer agrees to comply with the terms of the two utility permits issued for the Project in Adams County by the Colorado Department of Transportation.

#### 4. Operational Requirements.

- A. The Project will be operated to Federal Safety Standards contained in 49 CFR 192, as well as the Developer's operating standards and practices, and maintenance procedures as referenced within the Developer's CUP application materials submitted to the County for the Project.
- B. The steel pipelines will have a corrosion prevention system as detailed within Section 4.0, Safety, of the Developer's CUP application materials submitted to the County for the Project.
- C. The Project will have a multi-faceted integrity management program, as required under federal pipeline safety standards (49 CFR 192 and ASME B31.8) and the Developer's own pipeline integrity management programs. In the event that there is a conflict between any standard or regulation, the most restrictive standard shall apply.
- D. The project will be operated in accordance with all applicable local, state and federal codes, laws and regulations, including but not limited to the Bennett Fire Protection District ("BFPD"), the Colorado Department of Transportation ("CDOT"), the Colorado Department of Public Health and Environment ("CDPHE"), the Federal Aviation Agency ("FAA"), the Urban Drainage and Flood Control District ("UDFCD") and the Colorado Oil and Gas Conservation Commission ("COGCC").
- E. TThe Applicant shall comply with all applicable state air quality regulations including the revisions to the Air Quality Control Commission's Regulation Numbers 3, 6, and 7 as adopted in 2014.

5. Post-Construction and Maintenance Requirements.

- A. Developer agrees to restore any disturbed County-owned lands in compliance with the requirements of applicable easement agreements, as soon as possible, but no later than October 31, 2014. In the event that reseeded is unsuccessful in the first growing season, the Developer agrees to comply with the terms of the easement agreements to restore the land during the subsequent growing season. The County may grant an extension for good cause, in writing, in the event of unforeseen circumstances.
- B. Developer agrees to restore any disturbed private property in accordance with the applicable easement agreements, as soon as possible, but no later than October 31, 2014. In the event that reseeded is unsuccessful in the first growing season, the Developer agrees to comply with the terms of the easement agreements to restore the land during the subsequent growing season. The County may grant an extension for good cause, in writing, in the event of unforeseen circumstances.
- C. Construction plans submitted by the Developer to the County for the Project show the pipeline located completely outside of the future right-of-way as depicted in the Adams County 2012 Transportation Plan. In the event that the pipeline is not constructed in accordance with the construction plans approved by the County and there becomes a conflict with a future roadway expansion project, as such project is contemplated under the Transportation Plan, the Developer agrees to relocate the pipeline at its own expense.
- D. The Developer also agrees that the approval of encroachment agreement requests for parking lots and driveways on private property shall not be unreasonably or arbitrarily withheld, in accordance with the terms of the easement agreements for the Project.
- E. Developer agrees that it shall not disrupt or damage the functionality of any existing drainage facilities.
- F. Developer agrees to submit "as built" construction drawings to the Adams County Assessor's Office within 60 days of construction completion in accordance with the procedures established by the County.
- G. Developer agrees to submit emergency contact information, emergency response plans, and final maps of the Project, including all associated valves and pipeline components, to the local fire districts along the Project and to the Adams County Office of Emergency Management before commencing operation of the pipeline. The Developer shall comply with all other requests for information from the Adams County Office of Emergency Management in accordance with local, state, and federal law.
- H. Maintenance of the Project will follow guidelines set forth in the Developer's operations and maintenance procedures, which meet or exceed regulatory requirements. Maintenance activities associated with the line and permanent easement include, but are not limited to, the following:



- Implementation of a damage prevention program including observation of any construction activities by others on or near the permanent easement;
- Implementation of a public education program;
- Installation and maintenance of pipeline markers;
- Inspection and maintenance of corrosion control systems;
- Inspection of block valves;
- Inspection of crossings by other pipelines, highways, utilities;
- Inspection and maintenance of safety, control, mechanical, and electrical equipment;
- Maintenance of communication equipment; and
- Calibration of all instruments to comply with USDOT regulations.

6. Development Impact Fees. There are no development fees associated with this Project.

7. Encroachment Upon Future Right of Way.

In any segment of the Project that is parallel to an Adams County right-of-way, the pipeline shall be constructed a minimum of five (5) feet from the edge of the maximum future right-of-way width, as designated in the Adams County 2012 Transportation Plan. The County agrees that no trees shall be placed within the first eleven (11) feet of the right-of-way measured from the eastern edge of the future right-of-way for Imboden Road. Developer agrees that there is no limitation on the type or quantity of landscaping that may be placed within the area between eleven (11) feet from the eastern edge of the future right-of-way of Imboden Road to twenty-two (22) feet from the eastern edge of the future right-of-way of Imboden Road. As development of the Transportation Plan is implemented, and if the location and existence of the Developer's permanent easement precludes such development, Developer will subordinate any necessary overlapping easement rights (subject to the then existing rights of the parties, laws and regulations) to accommodate Adams's County's development.

8. Acceptance and Maintenance of Public Improvements. Developer is not required to make any public improvements or make any public dedications in connection with the Project.

9. Guarantee of Compliance. Developer hereby agrees that should it fail to comply with the terms of this Agreement, then the Board of County Commissioners, County of Adams, State of Colorado, shall be entitled to obtain from the Colorado State District Court for the Seventeenth Judicial District a mandatory injunction requiring said Developer to comply with the terms of this Agreement. Prior to the County seeking such an injunction, Developer shall be provided the opportunity to cure any default in accordance with the terms set forth herein.

10. Financial Security. The County has determined that there is no need for a guarantee of financial security with regard to this Project.
11. Successors and Assigns. This Agreement shall be binding upon the heirs, executors, personal representatives, successors, and assigns of the Developer, and shall be deemed a covenant running with the real property described in Exhibit 'A' attached hereto.

## II. COUNTY'S OBLIGATIONS:

The County shall have no obligations associated with this Agreement.

## III. GENERAL PROVISIONS:

1. No Third Party Beneficiaries. This Agreement is intended to describe and determine such rights and responsibilities only as between the parties hereto. It is not intended to and shall not be deemed to confer rights or responsibilities to any person or entities not named hereto.
2. Notices. Any and all notices, demands or other communications desired or required to be given under any provision of this Agreement shall be given in writing and delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid or by email addressed as follows:

To Developer:

Kerr-McGee Gathering LLC  
Attention: Surface Land Manager  
1099 18<sup>th</sup> Street  
Denver, CO 80202

To Adams County:

Director, Department of Planning and Development  
4430 South Adams County Parkway, 1<sup>st</sup> Floor, Suite W2000A  
Brighton, CO 80601  
Email: [amontoya@adcogov.org](mailto:amontoya@adcogov.org)

With a copy to:

Adams County Attorney  
4430 South Adams County Parkway  
Brighton, CO 80601

3. Amendments. Should any changes to the Conditional Use Permit be proposed before, during or after completion of the Project, the Developer shall submit the details of those changes to the Adams County Planning & Development Director for a determination as to whether those changes constitute a Major or Minor Amendment in accordance with the Regulations.

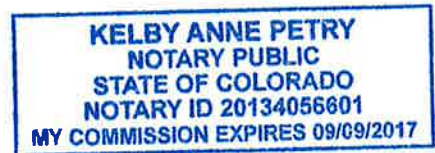
This Agreement may be modified, amended, changed or terminated in whole or in part by an agreement in writing duly authorized and executed by the parties hereto with the same formality, and subject to the same statutory and regulatory requirement, as this Agreement.

The terms of this Agreement shall remain in full force and effect unless or until the pipeline is no longer needed or used for the purpose of transporting materials or components relating to the production, transportation and other handling of oil, natural gas or other natural resources. At such time that the Developer ceases to have used the pipeline for its intended purposes for a period of twenty-four (24) consecutive months, the pipeline shall be abandoned in accordance with the pipeline abandonment procedures prescribed by the Colorado Oil and Gas Conservation Commission or any other pipeline safety regulatory agency then exercising jurisdiction over intrastate gas or oil pipelines in Colorado.

4. Controlling Law. This Agreement and its application shall be construed in accordance with the laws of the State of Colorado.
5. Default. If either party is in default under this Agreement, the non-defaulting party shall provide written notice of said default to the defaulting party to the address provided in Section III. 2 immediately above. The defaulting party shall have 30 days to cure the default, unless an extension is granted in writing by the non-defaulting party for good cause. The non-defaulting party may seek all remedies available pursuant to the Agreement and under the law.
6. Costs and Fees. In the event of any litigation arising out of this Agreement, the parties agree that each will pay its own costs and fees.

Kerr McGee Gathering LLC (Developer)

By: 



The foregoing instrument was acknowledged before me this 11 day of April, 2014, by Ron Olsen as Agent and Attorney-In-Fact of Kerr McGee Gathering LLC.

My commission expires: 9/9/17

Address: 1099 18th Street, Suite 1000  
Denver, CO 80202   
Notary Public

APPROVED BY resolution at the meeting of 11 April, 2014.

ATTEST:

Keisha Bliscu

Clerk to the Board



BOARD OF COUNTY COMMISSIONERS  
ADAMS COUNTY, COLORADO

[Signature]

Chair

Approved as to form

[Signature]

County Attorney

## EXHIBIT A

**Ownership, Assessor's Tax Parcel Number, Description of property where easements were obtained and Executed ROW Agreements with copies attached and made part of this document:**

Qualls ROW

Qualls and Palmer LLC

Parcel #01818700000010

SECT,TWN,RNG:5-3-64 DESC: ALL 628/76A

Front Range Airport ROW

Front Range Airport Authority

Parcel #0181700000204

SECT,TWN,RNG:8-3-64 DESC: BEG AT SW COR SEC 8 TH E 900 FT TH N 400 FT TH W 900 FT TH S 400 FT TO THE POB EXC RD 7/334A

Front Range Airport ROW

Front Range Airport Authority

Parcel #0181700000187

SECT,TWN,RNG:17-3-64 DESC: N2 320A

Kelton ROW

Kelton Airport Investment Group

Parcel #0181706100004

SECT,TWN,RNG:6-3-64 DESC: PARCEL 9 PT OF THE NE4 OF SEC DESC AS BEG AT THE N4 COR SD SEC 6 TH S 88D 53M E 749/07 FT TO THE TRUE POB TH S 893/66 FT TH E 1875/52 FT TH N 867/66 FT TH N 88D 53M W 1891/73 FT TO THE TRUE POB 38/079A

Touch America ROW

Bronco Pipeline Company

Parcel #0181719401001

SUB:TOUCH AMERICA SUBDIVISION LOT:1

## NOTICE OF PIPELINE LOCATION

Pursuant to the terms of that certain Right-of-Way Grant dated June 4<sup>th</sup>, 1975 and recorded July 2<sup>nd</sup>, 1975 at Book 2003, Page 297 of the records of the Adams County Clerk and Recorder, Adams County, Colorado (the "Grant"), Kerr-McGee Gathering LLC ("KMGG"), whose address is 1099 18<sup>th</sup> Street, Suite 1800, Denver, Colorado 80202, as successor in interest to Panhandle Eastern Pipeline Company, was granted the right to construct, maintain, lower, inspect, repair, replace, relocate, change the size of, operate and remove a pipeline and from time to time to lay additional pipelines, drips, pipeline markers, valves, launchers, receivers, cathodic equipment, test leads and all appurtenances convenient for the transportation of oil, gas, and other substances, on, over, under and through the West Half (W½) of Section 5, Township 3 South, Range 64 West of the 6<sup>th</sup> P.M., Adams County, Colorado (the "Lands").

For notification purposes only, a plat attached hereto as Exhibit A sets forth the approximate location of a pipeline constructed in, under, and across the Lands pursuant to the Grant.

This Notice of Pipeline Location is limited to the pipeline described on Exhibit A, and is not intended to represent or depict all pipelines located or possibly located in, under, and across the Lands. Additional pipelines or future pipelines not described on Exhibit A may exist under the Lands.

This Notice of Pipeline Location is not intended and shall not be construed to reduce, minimize, change the scope of, or in any way alter, amend, or terminate any of the rights vested in KMGG by the Grant.

**KERR-McGEE GATHERING LLC, a  
Colorado Limited Liability Company**

  
BY: Ronald H. Olsen  
ITS: Agent and Attorney-in-Fact

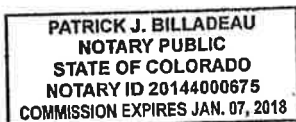
STATE OF COLORADO            )  
  )ss.  
COUNTY OF DENVER            )

The foregoing instrument was acknowledged before me this 10<sup>th</sup> day of April, 2014, by Ronald H. Olsen, as Agent and Attorney-in-Fact of Kerr-McGee Gathering LLC, a Colorado limited liability company, on behalf of such company.

Witness my hand and official seal.

  
Notary Public

My Commission Expires: 1-7-2018



**EXHIBIT "A"**

Attached to and made a part of that certain Notice of Pipeline Location from Kerr-McGee Gathering LLC.

**Description**

A strip of land being a portion of that parcel conveyed to Qualls and Palmer, LLC, filed August 19, 2010 at Reception No. 201000055574, in Section 5, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said strip of land centerline described as follows:

**Note:**

1. The Basis of Bearings is the south line of the southwest quarter of Section 5, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 30109 at the west end and an aluminum cap PLS 17488 at the east end with a grid bearing of S 89°53'54" E.
2. The side lines of the right of way are to be lengthened and/or shortened to end at the property lines.

Commencing at the northwest corner of Section 5, a number 6 rebar; Thence S 00°36'08" W, along the west line of the northwest quarter of Section 5, a distance of 97.64 feet to the POINT OF BEGINNING;

Thence S 89°42'21" E, departing said west line, a distance of 93.29 feet;

Thence S 00°17'39" W a distance of 4404.11 feet;

Thence S 89°42'21" E a distance of 83.34 feet;

Thence S 00°00'55" W a distance of 304.89 feet;

Thence S 45°00'55" W a distance of 131.00 feet to a point 87 feet east of the west line of the southwest quarter of Section 5;

Thence S 00°00'16" E, parallel with and 87 feet easterly of said west line, a distance of 309.45 feet, more or less, to a point on the south line of Section 5 and the POINT OF TERMINUS, from which the southwest corner of Section 5 bears N 89°53'54" W a distance of 87.02 feet.

Centerline being 5326.08 feet in length.



Prepared by EJ Gmbowski  
 For and on behalf of GEOSURV Inc.  
 520 Stacy Ct. Ste B, Lafayette, CO 80026

1 OF 2	 LAND SURVEYING AND MAPPING LAFAYETTE, COLORADO (303) 644-1100 FAX (303) 644-1100	<b>KERR-McGEE</b> Proposed Pipeline Survey		TOWNSHIP: 3 South	1" = 600'	SAP AFE:
		RANGE: 64 West	6th PM	2/20/2013	TRACKING:	
		COUNTY: Adams			REVISIONS:	
		STATE: Colorado		BY: jtv		

DATE: 01/02/2013 11:01:10 AM





RIGHT-OF-WAY GRANT

THIS RIGHT-OF-WAY GRANT ("Grant") is made this <sup>22<sup>nd</sup></sup> day of April, 2013, from KELTON AIRPORT INVESTMENT GROUP, a Colorado general partnership, whose address is 225 Wall Street, Suite 240, Vail, Colorado 81657 ("Grantor"), to KERR-MCGEE GATHERING LLC, a Colorado limited liability company, whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("KMGG" or "Grantee"). The parties agree as follows:

Grantor states that it is the sole owner in fee simple of the lands subject to the burden of the Easements (as defined in paragraph 2 of this Grant) and that it has full right, power and authority to enter into this Grant. Grantor and Grantee agree that the Permanent Easement and the Temporary Easement are subject to existing superior easement rights.

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants and conveys unto KMGG, its successors and assigns the rights-of-way and easements described below.

1. **Permanent Easement.** Grantor hereby grants, sells and conveys to KMGG, its successors and assigns forever, as of the date first set forth above, a 40-foot wide (20 feet on the [East/North] side of the centerline and 20 feet on the [West/South] side of the centerline) perpetual right of way and easement (the "Permanent Easement") on over, under, through and across that portion of Grantor's property situated in the Northeast quarter of the Northeast quarter of Section 6, Township 3 South, Range 64 West, 6<sup>th</sup> P.M., Adams County, State of Colorado, legally described and/or depicted on Exhibit A attached hereto and incorporated herein by this reference (the "Property") for the following uses and purposes: to initially lay, initially construct, maintain, inspect, operate, repair, mark, monitor, abandon or remove in connection with abandonment, at KMGG's election, two underground pipelines, each of which shall not exceed twenty-four inches in diameter, and all appurtenances, above or below ground, necessary for the transportation or transmission of oil, gas, petroleum products, water, hydrocarbons and any other substances, whether fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing.

2. **Temporary Easement.** In addition to the Permanent Easement, Grantor hereby grants, sells, conveys and assigns to KMGG a temporary easement on, over, under, through and across, and right to use (i) a portion of the Property consisting of an additional 35 feet of temporary work space adjacent to and along one or both sides of the Permanent Easement as more particularly described and/or depicted on Exhibit A (the "Temporary Work Space Easement") as well as (ii) a portion of the Property located adjacent to the Permanent Easement and/or the Temporary Work Space Easement as more particularly described and/or depicted on Exhibit A (the "Additional Temporary Work Space") and, together with the Temporary Work Space Easement, collectively referred to herein as the "Temporary Easement"). KMGG and/or KMGG Parties shall have the right to use the Temporary Easement for the purpose of surveying, excavating, trenching, initially laying and constructing any pipeline(s) and related construction activities. KMGG agrees that its right to use the Temporary Easement shall automatically terminate upon the earlier of: (i) the date KMGG completes construction and installation of the pipeline(s) contemplated hereby and restores the Property pursuant to Section 4 of this Grant; or (ii) ninety (90) days after the construction commencement date in KMGG's notice delivered pursuant to Section 11. The Permanent Easement, the Temporary Easement, and the Access Easement (Defined Below) are sometimes collectively referred to herein as the "Easements." The parties hereto agree that the one-time payment which is made by KMGG to Grantor for the purchase of the Easements referenced herein does not embrace payment for damages or losses to the property covered by the Easements or to Grantor's other property adjacent to the property covered by the Easements which may result from construction, operation and maintenance of the pipeline and appurtenant facilities by KMGG. Such one-time payment is intended by the parties hereto to relate solely to purchase of the right to use the Easements, but such payment shall not be deemed to embrace future damages or losses.

3. KMGG shall have the rights of ingress and egress over and across the Permanent Easement, and where same intersects any public road or public right-of-way or other easement to which KMGG has the right to access and along any private roads designated by Grantor (the "Access Easement") for any and all purposes necessary and incidental to exercising KMGG's rights hereunder. KMGG shall promptly repair any damage to Grantor's roads caused by KMGG, at KMGG's sole cost and expense, so as to maintain the roads in as good or better condition as existed prior to use by KMGG. KMGG shall compensate Grantor or Grantor's designated lessee, if any, for all actual damages to Grantor's or Grantor's designated lessee's growing crops, farm land preparation, pasture, fences, livestock and other real or personal property improvements attributable to the construction, maintenance, repair, replacement, or removal of the pipeline(s). KMGG shall compensate the Grantor for all damages to Grantor's timber caused by the initial

construction of the pipeline(s); thereafter, KMGG shall have the right to cut and keep clear, without payment of damages, all trees, brush, and other obstructions that may in the KMGG's opinion endanger, hinder or conflict with the construction, operation, inspection, protection, maintenance, and use of the pipeline(s). KMGG will provide certified surveys of the "as-built" pipeline(s) installed in the Permanent Easement pursuant to this agreement within thirty (30) days of the completion of installation of the same.

4. The pipeline(s) constructed hereunder shall be placed at a depth of not less than 48 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Easements without KMGG's prior written permission, which permission shall not be unreasonably withheld, conditioned or delayed. KMGG shall repair and/or restore any fence on or adjacent to the Easements removed, severed or damaged in any way by KMGG, its employees, contractors, subcontractors, agents, licensees and invitees (each a "KMGG Party" and collectively "KMGG Parties") to the condition such fence was in prior to the removal or damages by KMGG, at KMGG's sole cost and expense. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations, at KMGG's sole cost and expense.

5. KMGG shall level, re-grade, reseed and restore any lands affected by KMGG's operations, and shall, in connection with the initial construction and installation of the pipeline(s) contemplated by this Grant, sufficiently compact the soil to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s) within fifteen (15) days following completion of construction. If KMGG or any KMGG Parties, require access to the Property via the Access Easement after completion of the initial construction and installation of the pipeline(s), KMGG shall deliver at least five (5) days advance written notice to Grantor, except in the event of an emergency. If KMGG or any KMGG Party disturbs the surface of the Easements subsequent to initial construction and installation of the pipeline(s), KMGG shall level and restore any lands affected by such operations and sufficiently compact the soil to the condition that existed at the time immediately prior to commencement of same within fifteen (15) days following completion of such operations. KMGG shall re-seed the ground disturbed by any of KMGG's operations and will maintain the Easements free and clean of all litter and trash during any periods of construction, operation, maintenance, repair or removal in connection with abandonment. All construction debris shall be cleaned up and removed from the Property upon completion of any KMGG operations on the Property.

6. Grantor may use the Easement for any and all purposes not inconsistent with KMGG's permitted uses set forth above.

7. KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Easements, except for any damage to structures or improvements placed in the Easements contrary to the terms contained herein and except for such damages incurred during a pipeline relocation requested by Grantor.

8. Grantor shall retain all the oil, gas, and other minerals in, on and under the Easements; provided, however, that Grantor shall not be permitted to drill or operate equipment for the production or development of minerals on the Easement, but it will be permitted to extract oil, gas and other minerals from and under the Easements by directional drilling and other means, so long as such activities do not damage, destroy, injure and/or interfere with the Grantee's use of the Easements for the purposes for which the Easements are being sought by Grantee.

9. Grantee agrees to comply in all material respects, at its sole cost, with all applicable federal, state and local laws, rules and regulations which are applicable to Grantee's activities hereunder, including without limitation, the construction, maintenance, repair and service of Grantee's pipeline, associated equipment and appurtenances thereto.

10. KMGG agrees to indemnify, defend, and hold harmless Grantor, its predecessors, successors, assigns, lessees, trustees, officers, directors, shareholders, managers, members, employees, agents, parents, and subsidiaries, both individually and in their respective capacity, from any and all liens, claims, demands, actions, damages, costs (including but not limited to attorneys' fees, accountants' fees, engineers' fees, consultants' fees and experts' fees) or expenses whatsoever, whether for property damage, personal injuries or death, whether foreseen or unforeseen, patent or latent, to the extent arising directly or indirectly from and in connection with KMGG's negligent actions related to the installation, construction, maintenance, operation, or other use of the Easements and the pipeline(s) contemplated herein. Such indemnity shall extend to and cover the acts or omissions of any KMGG Parties. It is the intention of this clause to hold KMGG responsible for the payment of any and all claims by any nature and character arising from the

negligent actions of KMGG in the matters described above, except such claims arising by reason of the gross negligence or willful misconduct of Grantor.

KMGG shall also indemnify, defend, and hold harmless Grantor, its predecessors, successors, assigns, lessees, trustees, officers, directors, shareholders, managers, members, employees, agents, parents, and subsidiaries, both individually and in their respective capacity, from and against any and all liens, claims, demands, costs (including but not limited to attorneys' fees, accountants' fees, engineers' fees, consultants' fees and experts' fees) from (a) the imposition of any lien arising from or in connection with, or resulting from, KMGG's acts or omissions, or (b) the incurring of costs of required repairs, remedial actions, removal actions, clean up, and/detoxification pursuant to any federal, state or local statute, rule or ordinance ("Applicable Law") which result from KMGG's acts or omissions. KMGG is neither an agent nor employee of Grantor, and Grantor has no responsibility to inspect or oversee KMGG's operations nor to defend against, indemnify, hold harmless or correct any potentially harmful, dangerous or damaging conditions which result from KMGG's acts or omissions. If KMGG's operations result in a violation of any Applicable Law, KMGG shall satisfy the requirements imposed by any agency charged with implementation and/or enforcement of such Applicable Law, and KMGG shall provide Grantor with verification from such agency or agencies reflecting that KMGG has satisfied the requirements of such Applicable Law or a letter from such agency or agencies evidencing that no further action is required.

11. Construction of the pipeline(s) provided for in this Grant shall commence no later than three (3) years after the date this Grant is executed. If KMGG fails to commence construction of the pipeline(s) contemplated hereby within three (3) years after the date this Grant is executed then this Grant shall automatically terminate and be of no further force or effect. KMGG shall give Grantor at least thirty (30) days' advance written notice of the date on which it shall commence construction. Following commencement, KMGG shall diligently pursue construction and installation of the pipeline(s) to completion. Notwithstanding anything herein to the contrary, express or implied, the Temporary Easement shall automatically terminate and become of no further force or effect on the earlier of: (i) the date that KMGG completes construction and installation of the pipeline(s) contemplated hereby and restoration of the Property in full compliance with the terms of this Grant; or (ii) ninety (90) days after the construction commencement date indicated in KMGG's notice to Grantor.

12. Except as expressly provided, the Permanent Easement and the provisions of this Grant pertaining to it shall last as long as KMGG is using the pipeline(s) to transport hydrocarbons. If there is a cessation in transportation of hydrocarbons for two consecutive years or longer, KMGG agrees to remove or abandon the pipeline(s) not in use, in place, at KMGG's discretion within ninety (90) days of said two-year period. However, if KMGG chooses to remove the pipeline(s), then it shall notify Grantor of such intention and Grantor may deny such removal request and choose to have the pipeline(s) abandoned in place, in its sole and absolute discretion. Upon completion of such removal or abandonment, KMGG will execute and record an original Release of Right-of-Way Grant in the records of the County in which the Easements are located. If KMGG removes any of pipeline(s), KMGG agrees that it shall (a) grade the surface of the Property on which the Easements are located back to the ground level and contour as existed immediately prior to such removal within a reasonable time following the completion of removal, and (b) comply with all federal, state, or local laws applicable to such removal. KMGG shall replant any plantings and repair or replace, as applicable, any improvements damaged or destroyed by such removal.

13. This Grant cannot be modified, except by an instrument in writing signed by Grantor and an authorized representative of KMGG.

14. The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors, and assigns of Grantor and KMGG.

15. KMGG shall record an original of this Right-of-Way Grant in the records of the County in which the Easements are located. By recording this Right-of-Way Grant, KMGG shall be deemed to have accepted all of the terms and conditions hereof.

16. This Grant may be executed in counterparts each of which shall be considered one and the same agreement.

17. Notices. All notices required or permitted hereunder shall be given by certified mail, postage prepaid, return receipt requested, or by overnight express delivery by a nationally recognized overnight courier, directed as follows:

(00147868.2)

If Intended for Grantor, to:

Attn: Arthur Kelton, Jr.  
Kelton Airport Investment Group  
225 Wall Street, Suite 240  
Vail, CO 81657

With a copy to

H. Michael Miller, Esq.  
Berenbaum Weinschenk, PC  
370 Seventeenth Street, Suite 4800  
Denver, CO 80202

If intended for KMGG, to:

Kerr-McGee Gathering LLC  
1099 18th Street, Suite 1800  
Denver, CO 80202

Such notice delivered by (i) certified mail in accordance with the foregoing procedures shall be deemed to have been duly given after such notice is deposited with the United States Post Office, or (ii) overnight express delivery by a nationally recognized overnight courier shall be deemed to have been duly given one (1) business day after such notice is deposited with such overnight courier with instructions to deliver such notice the next following business day. Any party may specify a different address for notices by delivery of written notice to the other party.

18. This Grant shall be governed by the laws of the State of Colorado, without regard to Colorado's conflict of law principles. Venue shall be proper for any dispute arising under this Grant in the district or county courts of Adams County, Colorado.

19. In the event of any litigation between Grantor and KMGG concerning or relating to the subject matter of this Grant, the prevailing party shall be entitled to recover its court costs and reasonable attorneys' fees.

20. Nothing contained in this Grant shall be deemed a gift or dedication of any portion of the Property for the general public or for any public purpose whatsoever. This Grant shall be strictly limited to and for the purposes set forth herein and shall not be interpreted or construed to create any third-party beneficiary rights in any person not a party hereto unless otherwise expressly provided in this Grant.

21. KMGG shall use the Easements solely for the purposes specified hereinabove. There shall be no hunting or fishing on the Easements or on any of Grantor's lands by KMGG or KMGG Parties at any time. No firearms or fishing equipment shall be taken on the Easements by KMGG or any KMGG Parties at any time.

22. KMGG shall comply, at its sole cost, with all applicable federal, state and local laws, rules and regulations applicable to KMGG's activities hereunder, including without limitation, construction, installation, maintenance, repair and service of KMGG's pipeline(s), associated equipment and appurtenances thereto.

IN WITNESS WHEREOF, Grantor has executed and delivered this Right-of-Way Grant as of the date first above written.

GRANTOR:

Kelton Airport Investment Group, a Colorado  
General Partnership

By:   
Arthur Kelton, Jr., General Partner

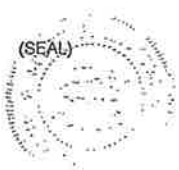
(00164846)

STATE OF COLORADO )  
 )ss.  
COUNTY OF EAGLE )

The foregoing instrument was acknowledged before me this 22<sup>nd</sup> day of April, 2013, by Arthur Kelton, Jr., as General Partner of Kelton Airport Investment Group, a Colorado General Partnership.

Witness my hand and official Seal.

My Commission Expires: 6-18-2016



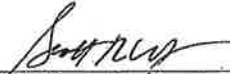
  
Notary Public: Scott R. Kowalski  
Paoli, Co 80134

EXHIBIT "A"

Attached to and made a part of that certain Right-of-Way Grant dated April 22, 2013 between Kelton Airport Investment Group and Kerr-McGee Gathering LLC.

Parcel Description

A 40 foot wide strip of land being a portion of that parcel conveyed to Kelton Airport Investment Group filed December 27, 1990 in Book 3739 at Page No. 36 in Section 6, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said 40 foot wide strip being 20 feet each side of the following described centerline:

Note:

1. The Basis of Bearings is the north line of the northeast quarter of Section 6, T3S, R64W 6th P.M., as monumented with an illegible aluminum cap at the west end and a number 6 rebar at the east end with a grid bearing of S 89°29'44" E.
2. The sideline of the right of way are to be lengthened and or shortened as necessary to end at the property line.


Commencing at the northeast corner of Section 6, a number 6 rebar; Thence S 38°40'45" W a distance of 124.56 feet to the POINT OF BEGINNING;

Thence S 89°42'21" E a distance of 76.82 feet to a point on the east line of Section 6 and the POINT OF TERMINUS, from which the northeast corner of Section 6 bears N 00°36'08"E a distance of 97.64 feet.

Containing 0.071 acres more or less.

Prepared by EJ Grabowski  
For and on behalf of GEOSURV Inc.  
520 Stacy Ct, Ste B, Lafayette, CO 80026

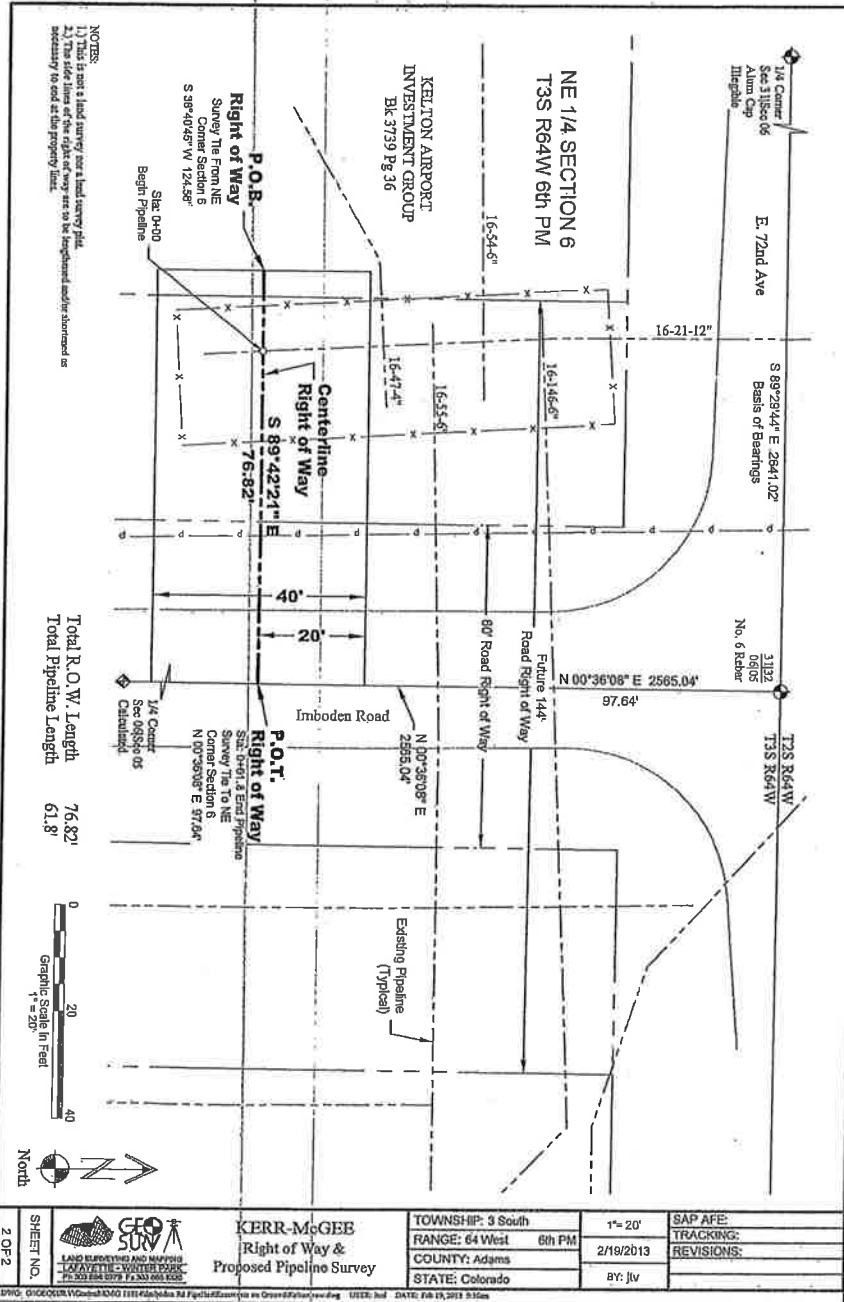


1 OF 2	SHEET NO.	 LAND SURVEYING AND MAPPING 1400 SOUTH 11TH AVENUE FT. COLLINS COLO 80526	KERR-McGEE Right of Way & Proposed Pipeline Survey	TOWNSHIP: 3 South	1"= 20'	SAP AFE:
				RANGE: 64 West 6th PM	2/18/2013	TRACKING:
				COUNTY: Adams		REVISIONS:
				STATE: Colorado	BY: jlv	

DWG: C:\GEOSURV\Growth\ADMS\11814\adms\RM Pipeline\Drawings\UTDR.dwg UTDR.dwg DATE: Feb 18, 2013 9:14am

**EXHIBIT "A"**

Attached to and made a part of that certain Right-of-Way Grant dated April 22, 2013 between Kelton Airport Investment Group and Kerr-McGee Gathering LLC.



## RIGHT-OF-WAY GRANT

THIS RIGHT-OF-WAY GRANT ("Grant") is made this 14th day of November, 2012, from FRONT RANGE AIRPORT AUTHORITY, a political subdivision of the State of Colorado, whose address is 5200 Front Range Parkway, Watkins, Colorado 80137 ("Grantor" whether one or more), to KERR-MCGEE GATHERING LLC, a Colorado limited liability company, whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("KMGG"). The parties agree as follows:

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, conveys and warrants unto KMGG, its successors and assigns, a perpetual right-of-way and easement to lay, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove, at KMGG's election, two pipelines and all appurtenances, below or above ground, convenient for the transportation or transmission of oil, gas, petroleum products, water, hydrocarbons and any other substances, whether fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing, in, on, over, under, or through the lands situated in Adams County, State of Colorado, being described as follows:

Township 3 South, Range 64 West, 6<sup>th</sup> P.M.

Section 8: Part of the SW $\frac{1}{4}$ /SW $\frac{1}{4}$

Section 17: Part of the W $\frac{1}{2}$ /NW $\frac{1}{4}$

The specific route and course of the right-of-way and easement conveyed hereby ("Right-of-Way Lands") are more particularly described in Exhibit "A" attached hereto and made a part hereof. The parties have agreed that the width of the Right-of-Way Lands is seventy five feet (75') during construction, and subsequent to construction the width of the Right-of-Way Lands will be forty feet (40').

After the initial construction of the pipeline(s) KMGG may require, from time to time, temporary additional work space parallel and adjacent to the Right-of-Way Lands to survey, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove the pipeline(s) together with all appurtenances. Grantor agrees to negotiate in good faith with KMGG to allow KMGG the use of this temporary additional work space.

Grantor represents and warrants to KMGG that Grantor is the sole owner in fee simple of the Right-of-Way Lands, subject to the burden of the Right-of-Way and has full right, power and authority to enter into this Grant.

The pipe(s) constructed hereunder shall be placed at a depth of not less than 36 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Right-of-Way Lands without KMGG's prior written permission. KMGG shall repair and/or restore any fence on or adjacent to the Right-of-Way Lands removed or severed by KMGG in the course of the operations provided for in this Grant to the condition such fence was in prior to the removal by KMGG. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations as provided for in this Grant.

KMGG shall level and restore any lands affected by KMGG's operations that may have excessive settling and sufficiently compact the soil within a reasonable period of time after completion of construction to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s), to the extent reasonably practicable.

Grantor agrees not to build, create, construct or permit to be built, created or constructed, any obstruction, building, fence, reservoir, engineering works or other structures or improvements over, under, on or across the Right-of-Way Lands without the prior written consent of KMGG.

KMGG shall have all rights, privileges and benefits necessary or convenient for the full use and enjoyment of this Grant, including but not limited to, the right of ingress and egress over and across Grantor's lands lying adjacent to the Right-of-Way Lands for any and all purposes necessary and incidental to exercising KMGG's rights hereunder.

KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Right-of-Way Lands, except for any damage to structures or improvements placed in the Right-of-Way Lands contrary to the terms contained herein; and, Grantor shall be solely responsible for any and all claims or damages

21-12" Pipeline Extension



resulting from Grantor's activities on the Right-of-Way Lands. No party shall be liable for, or be required to pay for, special, punitive, exemplary, incidental, consequential or indirect damages to any other party for activities undertaken within the scope of the Grant. Grantor shall have the right to use and enjoy the Lands, subject to the rights herein granted.

The term on the Grant is perpetual. Construction of all pipelines provided for in this Grant shall commence within five (5) years of the date this Grant is executed. If KMGG fails to commence construction on one or more pipelines provided for in this Grant within five (5) years this Grant will terminate but only as to the pipeline(s) that have not been constructed.

This Grant shall last as long as KMGG is using the pipeline to transport hydrocarbons. If there is a cessation in transportation of hydrocarbons for two consecutive years or longer, KMGG agrees to remove or abandon the pipeline in place, that is not in use, at KMGG's discretion within ninety (90) days of said cessation. In the event all pipelines provided for in this Grant are not in use and upon completion of the pipeline removal or abandonment in place, KMGG will execute and record an original Release of Right-of-Way Grant in the records of the County in which the Right-of-Way Lands are located, shall remove the pipeline and any appurtenant facilities and infrastructure, at KMGG's sole expense, and shall restore the land to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s), to the extent reasonably practicable.

This Grant cannot be modified, except by an instrument in writing signed by Grantor and an authorized representative of KMGG.

The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors, and assigns of Grantor and KMGG.

KMGG shall record an original of this Right-of-Way Grant in the records of the County in which the Right-of-Way Lands are located. By recording this Right-of-Way Grant, KMGG shall be deemed to have accepted all of the terms and conditions hereof.

This Grant may be executed in counterparts each of which shall be considered one and the same agreement.

IN WITNESS WHEREOF, Grantor has executed and delivered this Right-of-Way Grant as of the date first above written.

GRANTOR:

Front Range Airport Authority, a political  
Subdivision of the State of Colorado

By: [Signature]  
Dennis R. Heap, Clerk

STATE OF COLORADO            )  
  )ss,  
COUNTY OF ADAMS            )

The foregoing instrument was acknowledged before me this 21<sup>st</sup> day of November, 2012, by Dennis R. Heap, as Clerk of Front Range Airport Authority, a political subdivision of the State of Colorado.

Witness my hand and official Seal.

My Commission Expires: 05.20.2013

[Signature]  
Notary Public:

(SEAL) LAURA ZIMMERMAN  
NOTARY PUBLIC  
STATE OF COLORADO  
My Commission Expires 05/20/2013

**EXHIBIT "A"**

Attached to and made a part of that certain Right-of-Way Grant dated November 14, 2012, between Front Range Airport Authority and Kerr-McGee Gathering LLC.

**Parcel 1  
Right of Way Description**

A 40 foot wide strip of land being a portion of that parcel conveyed to The Front Range Airport Authority filed March 13, 1984 in Book 2849 at Page 370, in Section 8, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said 40 foot wide strip being 20 feet each side of the following described centerline:

**Note:**

1. The Basis of Bearings is the west line of the northwest quarter of Section 17, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 30109 at each end with a grid bearing of N 00°18'13" W.
2. The side lines of the right of way are to be lengthened and/or shortened as necessary to end at the property lines.

Commencing at the southwest corner of Section 8, an aluminum cap PLS 30109; Thence N 10°29'52" E a distance of 451.64 feet to a point on the northerly line of that parcel described in Book 2849 at Page 370, being 92 feet easterly of the west line of the southwest quarter of Section 8 and the POINT OF BEGINNING;

Thence S 01°15'20" E, parallel with and 92 feet easterly of said west line, a distance of 399.99 feet to a point on the northerly right of way line of East 56th Avenue, being 45 feet northerly of the south line of Section 8 and the POINT OF TERMINUS from which the southwest corner of Section 8 bears S 64°06'56" W a distance of 101.21 feet.

Containing 0.367 acres more or less.

**Parcel 2  
Right of Way Description**

A 40 foot wide strip of land being a portion of that parcel conveyed to The Front Range Airport Authority filed November 27, 1984 in Book 2940 at Page 856, in Section 17, Township 3 South, Range 64 West of the Sixth Principal Meridian, County of Adams, State of Colorado, said 40 foot wide strip being 20 feet each side of the following described centerline:

**Note:**

1. The Basis of Bearings is the west line of the northwest quarter of Section 17, T3S, R64W 6th P.M., as monumented with an aluminum cap PLS 30109 at each end with a grid bearing of N 00°18'13" W.
2. The side lines of the right of way are to be lengthened and/or shortened as necessary to end at the property lines.

Commencing at the northwest corner of Section 17, an aluminum cap PLS 30109; Thence S 52°31'09" E a distance of 116.41 feet to a point on the southerly right of way line of East 56th Avenue as recorded September 8, 2008 at Reception Number: 2008000071634, being 92 feet easterly of the west line of the northwest quarter of Section 17 and the POINT OF BEGINNING;

Thence S 00°18'13" E, parallel with and 92 feet easterly of said west line, a distance of 2574.38 feet to a point on the south line of the northwest quarter of Section 17 and the POINT OF TERMINUS from which the west quarter corner of Section 17 bears N 89°21'45" W a distance of 92.01 feet.

Containing 2.364 acres more or less.



SHEET NO. 1 OF 2		<b>KERR-McGEE</b> Right of Way & Proposed Pipeline Survey	TOWNSHIP: 3 South	1 <sup>st</sup> 500	SAP A/E: 2073293	
			RANGE: 64 West	6th PM	TRACKING:	
			COUNTY: Adams		2/18/2013	REVISIONS:
			STATE: Colorado		BY: jlv	



## RIGHT-OF-WAY GRANT

THIS RIGHT-OF-WAY GRANT ("Grant") is made this 25th day of April, 2013, from GERALD C. SCHROEDER and MARY L. SCHROEDER, whose address is 3851 Imboden Mile Road, Watkins, Colorado 80137 ("Grantor" whether one or more), to KERR-MCGEE GATHERING LLC, a Colorado limited liability company, whose address is 1099 18th Street, Suite 1800, Denver, Colorado 80202 ("KMGG"). The parties agree as follows:

For and in consideration of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor hereby grants, conveys and warrants unto KMGG, its successors and assigns, a perpetual right-of-way and easement to lay, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove, at KMGG's election, two pipelines and all appurtenances, above or below ground, including meters, launchers, receivers and related equipment convenient for the transportation or transmission of oil, gas, petroleum products, water, hydrocarbons and any other substances, whether fluid, solid or gaseous, and any products, derivatives, combinations or mixtures of any of the foregoing, in, on, over, under, or through the lands situated in Adams County, State of Colorado, being described as follows:

**Township 3 South, Range 64 West, 6<sup>th</sup> P.M.**

Section 19: Part of the SE $\frac{1}{4}$ SE $\frac{1}{4}$ , also described as Touch America Subdivision, Lot 1

The specific route and course of the right-of-way and easement conveyed hereby ("Right-of-Way Lands") are more particularly described in Exhibit "A" attached hereto and made a part hereof. The parties have agreed that the width of the Right-of-Way Lands is seventy five feet (75') during construction, and subsequent to construction the width of the Right-of-Way Lands will be fifty feet (50').

After the initial construction of the pipeline(s) KMGG may require, from time to time, temporary additional work space parallel and adjacent to the Right-of-Way Lands to survey, construct, maintain, inspect, operate, repair, alter, replace, modify, change the size of, reconstruct, mark, monitor, abandon or remove the pipeline(s) together with all appurtenances. Grantor agrees to negotiate in good faith with KMGG to allow KMGG the use of this temporary additional work space.

Grantor represents and warrants to KMGG that Grantor is the sole owner in fee simple of the Right-of-Way Lands, subject to the burden of the Right-of-Way and has full right, power and authority to enter into this Grant.

The pipe(s) constructed hereunder shall be placed at a depth of not less than 36 inches below the surface of the ground. Grantor agrees not to increase or decrease the surface elevation on the Right-of-Way Lands without KMGG's prior written permission. KMGG shall repair and/or restore any fence on or adjacent to the Right-of-Way Lands removed or severed by KMGG in the course of the operations provided for in this Grant to the condition such fence was in prior to the removal by KMGG. If necessary to prevent the escape of Grantor's livestock, KMGG shall construct temporary gates or fences in those areas affected by KMGG's operations as provided for in this Grant.

KMGG shall level and restore any lands affected by KMGG's operations that may have excessive settling and sufficiently compact the soil within a reasonable period of time after completion of construction to the condition that existed at the time immediately prior to the placement of KMGG's pipeline(s), to the extent reasonably practicable.

Grantor agrees not to build, create, construct or permit to be built, created or constructed, any obstruction, building, reservoir, engineering works or other structures or improvements, excepting fences, over, under, on or across the Right-of-Way Lands without the prior written consent of KMGG.

KMGG shall have all rights, privileges and benefits necessary or convenient for the full use and enjoyment of this Grant, including but not limited to, the right of ingress and egress over and across Grantor's lands lying adjacent to the Right-of-Way Lands for any and all purposes necessary and incidental to exercising KMGG's rights hereunder. Grantor hereby agrees that Grantee may, at its option, pay and discharge any taxes, mortgages or liens existing, levied or assessed on or against the lands burdened by the Right-of-Way. If Grantee exercises such option, Grantee shall be subrogated to the rights of the party to whom payment is made, and in addition to its other rights, may reimburse itself out of any rentals, royalties, shut-in royalties, or any other amounts otherwise payable to Grantor hereunder.

KMGG shall be obligated to pay for, repair, replace or otherwise compensate Grantor for any damages resulting from KMGG's activities and operations on the Right-of-Way Lands, except for any damage to structures or improvements placed in the Right-of-Way Lands contrary to the terms contained herein; and, Grantor shall pay for, reimburse, indemnify and hold KMGG harmless from any and all claims or damages resulting from Grantor's activities on the Right-of-Way Lands. Grantor shall have the right to use and enjoy the Lands, subject to the rights herein granted.

This Grant cannot be modified, except by an Instrument in writing signed by Grantor and an authorized representative of KMGG.

The rights granted herein may be assigned in whole or in part, and the terms, conditions, and provisions of this Grant are a covenant running with the land and shall extend to and be binding upon the successors, and assigns of Grantor and KMGG.

KMGG shall record an original of this Right-of-Way Grant in the records of the County in which the Right-of-Way Lands are located. By recording this Right-of-Way Grant, KMGG shall be deemed to have accepted all of the terms and conditions hereof.

This Grant may be executed in counterparts each of which shall be considered one and the same agreement.

IN WITNESS WHEREOF, Grantor has executed and delivered this Right-of-Way Grant as of the date first above written.

GRANTOR:

  
Gerald C. Schroeder

  
Mary L. Schroeder

STATE OF COLORADO )  
 ) ss.  
COUNTY OF ADAMS )

The foregoing Instrument was acknowledged before me this 25<sup>TH</sup> day of April, 2013, by Gerald C. Schroeder and Mary L. Schroeder.

Witness my hand and official Seal.

My Commission Expires: 6-18-2016



  
Notary Public: Scott R. Knutson  
Parker, CO 80134

